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Congress of the United States  
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Washington, DC 20515

TODD ROKITA  
4TH DISTRICT, INDIANA

COMMITTEE ON THE BUDGET

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January 12, 2014

Mike  
Reynolds, IN

Dear Mike,

Thank you for attending my Monticello Congress on Your Corner event on November 26, 2013. I would like to address your comments regarding the impact of ObamaCare on you. It is good to hear from you.

I have heard from many Hoosiers who, like you, have been impacted by ObamaCare. This insidious legislation is a prime example of why big government simply does not work. As you know, I firmly oppose this irresponsible legislation passed by Congress and signed into law by President Obama in 2010. ObamaCare expands government control over health care and unreasonably restricts free market mechanisms.

Regarding your specific question, ObamaCare subsidies will not be taxed. They are not treated as income. For self-employed, they can be taken up front, as premium assistance credits, or after the fact, as tax credits on a 1040 return.

Once fully implemented, ObamaCare will cost over \$2 trillion and still leave millions of Americans uninsured. A recent health care study also suggests that up to 65 million Americans could lose employer-sponsored health insurance under this law. **The Indiana Department of Insurance recently determined that ObamaCare could increase individual health insurance premiums by as much as 72%.**

In your case, ObamaCare removed from the market your insurance plan and offered a more expensive alternative. While your new plan will cost more, you indicated that a subsidy will cover the difference. You will not be taxed on the difference, but your story is an example of how ObamaCare increase government spending and increases costs by disrupting the free-market.

ObamaCare contains one of the biggest tax increases in American history, the brunt of which will be borne by the middle class. Despite a ruling by the Supreme Court to uphold this government intrusion into your personal health care decisions, I have led efforts to repeal this incredibly expensive abomination, and I will continue fighting to fully repeal ObamaCare in the 113<sup>th</sup> Congress.

I will continue working to replace ObamaCare with sensible market-based reforms aimed at increasing choice and competition, reducing costs, improving access to care, and encouraging innovation. For example, I worked with a number of my colleagues to introduce H.R. 3121, the American Health Care Reform Act. This bill allows individuals to purchase insurance across state lines, allows small businesses to band together to buy insurance, implements medical malpractice reforms, and levels the playing field by implementing fair tax treatment for all Americans. Additionally, through my State Health Flexibility Act, we can empower states to improve care and reduce costs by tailoring their Medicaid programs to their unique populations. I believe the common sense approaches in these bills will put consumers – not Washington bureaucrats – back in charge of their health care decisions.

Again, thank you for attending my Monticello Congress on Your Corner event. Please stay in touch.

Sincerely,

Todd Rokita  
Member of Congress

TR/tb